

AIRPORTS

J. William Ingraham

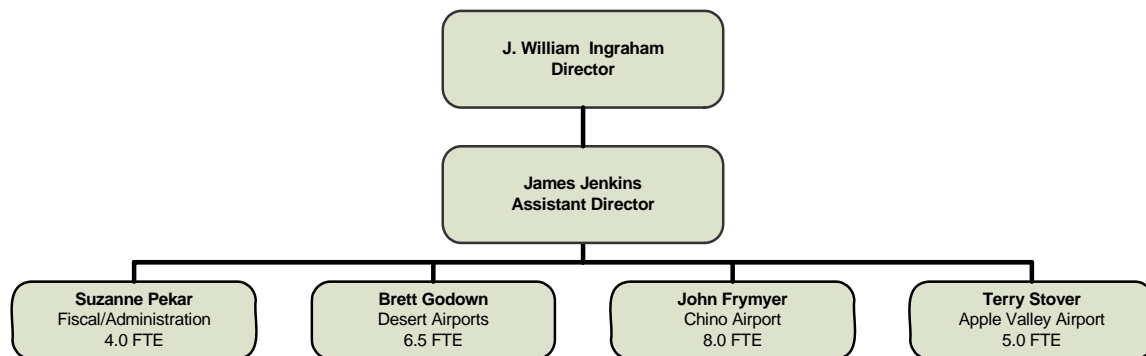
MISSION STATEMENT

The mission of San Bernardino County Department of Airports is to plan, organize and direct the county's airport and aviation system to provide high-quality aviation facilities and services in a safe and efficient manner, optimizing the benefit to the communities and citizens of the county.

STRATEGIC GOALS

1. Improve administration of leasing activity.
2. Improve coordination and management of the Airports Capital Improvement Program.

ORGANIZATIONAL CHART



SUMMARY OF BUDGET UNITS

	2006-07				
	<u>Appropriation</u>	<u>Revenue</u>	<u>Local Cost</u>	<u>Fund Balance</u>	<u>Staffing</u>
Airports	2,880,410	2,880,410	-		29.5
Chino Airport Commercial Hangars	868,582	702,396		166,186	-
TOTAL	3,748,992	3,582,806	-	166,186	29.5

Detailed information for each budget unit is provided, along with a description of the services provided, budget unit history and applicable performance measures.



Airports

DESCRIPTION OF MAJOR SERVICES

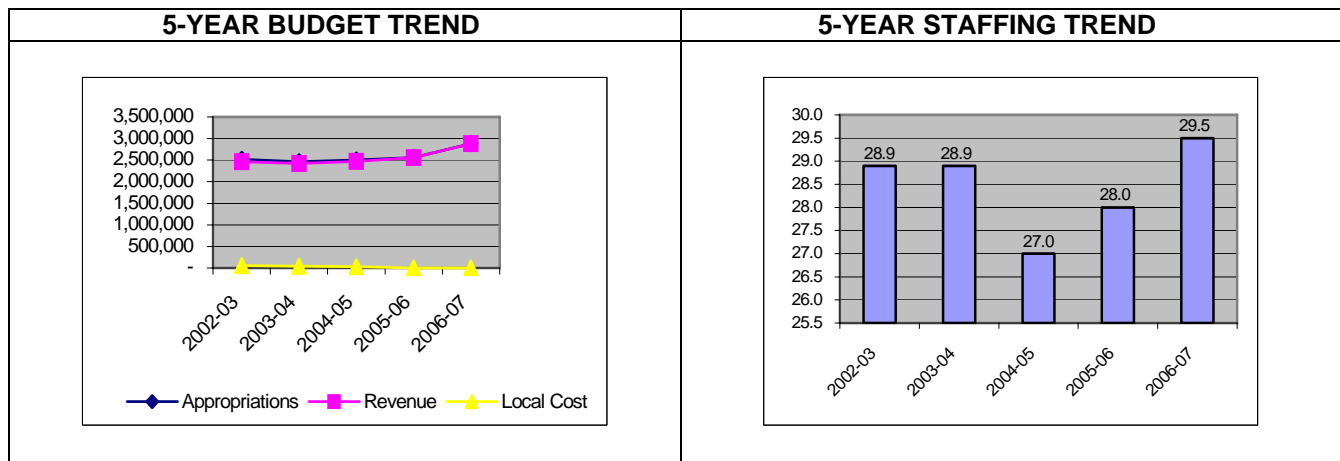
The Department of Airports provides for the management, maintenance and operation of six county airports, as well as technical support to the San Bernardino International Airport (a Joint Powers Authority comprised of the county and the cities of Colton, Highland, Loma Linda and San Bernardino). The department assures that county airports are maintained and operated in compliance with state and federal regulations. The department also assists the county's private and municipal airport operators in planning, interpreting and implementing Federal Aviation Administration (FAA) general aviation requirements.

The county's six airports include: Chino Airport, a FAA designated reliever to John Wayne Airport and the second largest general aviation airport in the country with approximately 1,000 based aircraft; Apple Valley Airport, a county service area (CSA-60) with a significant sport aviation base; Barstow-Daggett Airport, an airport with significant military activity and home to the Fort Irwin Helicopter Maintenance Base; Twentynine Palms Airport, a center for soaring activity in addition to serving the community as a general aviation airport; Needles Airport, a critical transportation link and key point for medical and law enforcement activity along the Colorado River; and, Baker Airport, a small facility on land leased from the Bureau of Land Management that serves as an emergency landing field between Barstow and Las Vegas.

The department manages in excess of 400 leases ranging from aircraft parking to major aviation developments with leasing assistance provided by the Real Estate Services Department. The Airports department also oversees a major capital improvement program with assistance from the Architecture and Engineering Department.

The county's airports are self-supporting with funds to operate and maintain the airports generated from facility rents, user fees and, in the case of Apple Valley Airport, property taxes dedicated to the support of CSA-60. State and federal grants are significant sources for funds to reconstruct and upgrade airport infrastructure.

BUDGET HISTORY

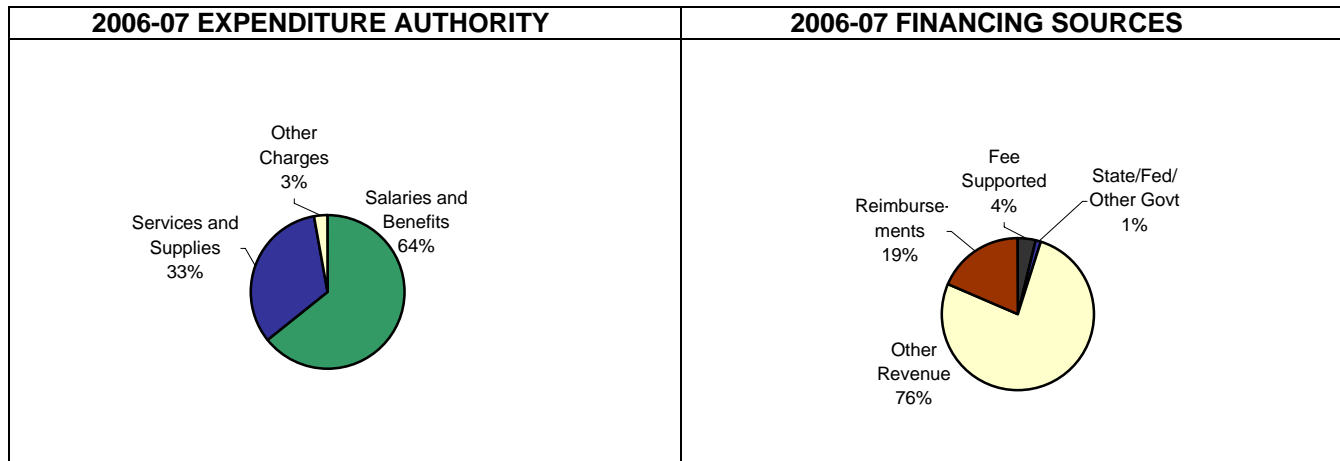


PERFORMANCE HISTORY

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Modified Budget	2005-06 Actual
Appropriation	2,341,857	2,466,739	2,598,928	2,571,651	2,582,322
Departmental Revenue	2,279,907	2,443,911	2,570,016	2,571,651	2,582,322
Local Cost	61,950	22,828	28,912	-	-
Budgeted Staffing				28.0	



ANALYSIS OF FINAL BUDGET



GROUP: Public and Support Services
 DEPARTMENT: Airports
 FUND: General

BUDGET UNIT: AAA APT
 FUNCTION: Public Ways and Facilities
 ACTIVITY: Transportation Terminals

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Actual	2005-06 Final Budget	2006-07 Final Budget	Change From 2005-06 Final Budget
Appropriation							
Salaries and Benefits	1,558,953	1,655,536	1,542,263	1,880,074	2,050,568	2,269,770	219,202
Services and Supplies	1,155,112	1,330,606	1,200,030	885,652	983,751	1,159,880	176,129
Central Computer	6,741	5,182	9,834	12,083	11,246	16,452	5,206
Other Charges	43,772	49,254	46,990	44,727	44,727	42,464	(2,263)
Equipment	-	-	-	34,852	18,000	30,000	12,000
Transfers	5,015	14,685	21,835	33,115	42,578	22,392	(20,186)
Total Exp Authority	2,769,593	3,055,263	2,820,952	2,890,503	3,150,870	3,540,958	390,088
Reimbursements	(427,736)	(606,024)	(633,149)	(487,367)	(596,909)	(660,548)	(63,639)
Total Appropriation	2,341,857	2,449,239	2,187,803	2,403,136	2,553,961	2,880,410	326,449
Operating Transfers Out	-	17,500	411,125	179,186	-	-	-
Total Requirements	2,341,857	2,466,739	2,598,928	2,582,322	2,553,961	2,880,410	326,449
Departmental Revenue							
Use of Money and Prop	2,046,315	2,089,022	2,389,210	2,365,719	2,284,461	2,644,716	360,255
State, Fed or Gov't Aid	40,323	40,301	40,094	41,949	40,000	40,000	-
Current Services	137,381	272,241	31,911	112,405	141,000	134,694	(6,306)
Other Revenue	55,888	35,147	105,801	59,904	88,500	61,000	(27,500)
Other Financing Sources	-	7,200	3,000	2,345	-	-	-
Total Revenue	2,279,907	2,443,911	2,570,016	2,582,322	2,553,961	2,880,410	326,449
Operating Transfers In	-	-	-	-	-	-	-
Total Financing Sources	2,279,907	2,443,911	2,570,016	2,582,322	2,553,961	2,880,410	326,449
Local Cost	61,950	22,828	28,912	-	-	-	-
Budgeted Staffing					28.0	29.5	1.5

Salaries and benefits are increasing by \$219,202. Of this amount, \$98,483 is the result of incurred costs associated with MOU adjustments, retirement increases, and a reduction in workers' compensation. The remaining \$120,719 is primarily due to the following 1.5 net increase in budgeted staffing:

- 1.0 Airport Operations Supervisor to assist the Chino Airport Manager with increased activity at the airport.
- 1.0 Maintenance Worker I to augment current staff for maintenance duties at the desert airports.
- 0.5 Office Assistant to assist the department with clerical duties at the desert airports.
- 1.0 Staff Aid, which is currently vacant, is being deleted.

Services and supplies are increasing by \$176,129 largely because of increased risk management charges.

Equipment in the amount of \$30,000 is budgeted for the replacement of two large mowers to maintain the fields at Chino Airport

Transfers are decreasing by \$20,186 because of reduced charges associated with services provided by other county departments.



Reimbursements are increasing by \$63,639 mainly due to an additional amount of staff work anticipated at the Chino Airport Commercial Hangar Facility during 2006-07 (\$118,758), partially offset by elimination of a Staff Aid position for Apple Valley Airport (\$54,675).

Use of money and property is increasing by \$360,255 as a result of several new airport leases, as well as rental adjustments to a number of existing leases.

Other revenue is decreasing by \$27,500 based on 2005-06 estimates.

FINAL BUDGET CHANGES

There are no final budget changes associated with this budget unit.

PERFORMANCE MEASURES

Description of Performance Measure	2005-06 Actual	2006-07 Projected
Percentage of lease renewals not executed prior to lease expiration.	10%	5%
Percentage of revenue producing land compared to land available for revenue production.	35%	38%
Average length of time to complete airport capital improvement projects.	20.5 months	18 months

The Department of Airports derives most of its operating revenue from lease of facilities and from ground leases. Most of these leases include provisions or options to extend the lease term provided that the tenant has remained in compliance with lease obligations, including prompt payment of rents. Occasionally, and for a variety of reasons, a lease will complete its base term without being extended. When that occurs, the lease is considered to be in "holdover" and existing lease provisions apply, including rental rates. Reducing the number of lease renewals not executed prior to expiration of the prior lease term will enhance department rental revenues.

The department leases a variety of facilities including office space, shop space and hangars. Additionally, ground areas are leased to firms for development of aviation related facilities that revert to county ownership at the end of the lease term and, at Chino Airport, for short-term agricultural uses until such time that there is a demand for aviation development. Aviation related development demand is increasing at Apple Valley and Chino Airports. There are areas of developable land at both of these airports that can be made available to developers, on in some cases, for development by the department. Increasing the percentage of revenue producing land, as compared to land available for revenue production will also increase the department's rental revenue.

Development of Airports Capital Improvement Program projects requires coordination of activities among department administration, airport managers, airport maintenance staff and project managers from the Architecture and Engineering Department. The large number and complexity of projects adds to the project management challenge. Airports staff is developing project tracking systems that will incorporate the activities of all parties involved from the conception and funding of capital improvements through design and construction with the objective of reducing the length of time it takes to fully complete projects. Accomplishing this objective will contribute to the safety of county airports, as well as augment lease revenues.

